JAN 17 1987
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No. 86-1941

IN THE
Supreme Court of the United States
OCTOBER TERM, 1986

CARDINAL INDUSTRIES, INC.,
Petitioner,

v.

RAYMOND C. KING AND MICHAEL H. PATTERSON,
Respondents.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Eleventh Circuit

RESPONDENTS' BRIEF IN OPPOSITION

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RESPONDENTS' BRIEF IN OPPOSITION

The respondents, Raymond C. King and Michael H. Patterson, respectfully request that this Court deny the petition for writ of certiorari, seeking review of the *per curiam* decision of the Eleventh Circuit affirming without opinion the judgment of the district court.

OPINIONS BELOW

In addition to the *per curiam* affirmance without opinion by the court of appeals being reported at 811 F.2d 609, the May 7, 1986 Memorandum Decision of the district court on the merits which appears as App. E to the

petition, is reported at 230 U.S.P.Q. (BNA) 678 and 1985-86 Copyright L. Rep. (CCH) ¶ 25,946.

STATEMENT OF THE CASE

For purposes of considering this petition, Raymond C. King and Michael H. Patterson accept Cardinal Industries, Inc.'s ("Cardinal") statement as sufficient save for one misstatement and one omission of procedural history. At page 5, footnote 2 of the petition, Cardinal inaccurately states that King and Patterson attempted to file a third-party complaint against the Board of Regents of the State of Florida. In fact, the third-party complaint was filed by the non-state defendants, Anderson Parrish Associates, Inc. ("APA"), Steven D. Lange and John A. Anderson (collectively referred to as "the APA defendants"), and was dismissed based upon the Board of Regents' Eleventh Amendment immunity. King and Patterson did not, and had no reason to, sue their ultimate superiors, the Board of Regents.

Following the district court's grant of partial summary judgment which held King and Patterson protected under the Eleventh Amendment, respondents requested that the Order be certified for appeal pursuant to Fed. R. Civ. P. 54(b). By an Order dated October 1, 1985, the district court declined to certify the partial summary judgment order pursuant to Rule 54(b).

REASONS FOR DENYING THE PETITION

I. BY FAILING TO SEEK REVIEW OF THE DECISION ON THE MERITS, PETITIONER HAS RENDERED MOOT ANY CONTROVERSY

Pursuant to Rule 19.6 of the Rules of this Court, petitioner has consciously chosen to abandon any possible review of the trial court's decision on the merits as to the APA defendants. By so doing, petitioner has forever fixed the ultimate outcome of its dispute with King and Patterson, thus rendering its petition moot.

In dropping the APA defendants, petitioner has frozen the findings of the district court as irretrievably permanent; there was no infringement of petitioner's copyrighted architectural plans. At the time of this decision on the merits, respondents remained parties to the action. *See* Restatement (Second) of Judgments § 34 (1982). Although King and Patterson had been granted an interlocutory order of summary judgment, the order remained non-final when the district court declined to include the Fed. R. Civ. P. 54(b) certificate. *See Sears, Roebuck & Co. v. Mackey*, 351 U.S. 427 (1956). Thus, the summary judgment remained subject to revision at any time prior to entry of a judgment disposing of all claims as to all parties. 6 J. Moore, Moore's Federal Practice ¶ 54.28[2] (1987). Therefore, since King and Patterson were parties to the judgment on the merits, petitioner is barred by the doctrine of *res judicata* from ever relitigating the question of copyright infringement irrespective of the Eleventh Amendment. *Nevada v. United States*, 463 U.S. 110, 129-30 (1983).

Yet, even if the non-final grant of summary judgment somehow removed King and Patterson as parties for purposes of *res judicata*, petitioner is nevertheless collaterally estopped from relitigating the issue of copyright infringement. *Blonder-Tongue Laboratories, Inc. v. University of Illinois Foundation*, 402 U.S. 313 (1971); *accord Grigsby v. CMI Corp.*, 765 F.2d 1369, 1372 n.5 (9th Cir. 1985). In its complaint, Cardinal sued King and Patterson solely for "contributory infringement," alleging that they "contributed to and/or induced" the infringing conduct of the APA defendants. However, since the trial court's determination that the APA defendants did not infringe is final, King and Patterson cannot be liable for any "contributory infringement." "It is always the case that there is no contributory liability if that conduct which is aided by the putative contributory infringer is not itself infringing." 3 M. Nimmer, Nimmer on Copyright § 12.04[A] (1986); *see Sony Corp.*

of America v. Universal City Studios, Inc., 464 U.S. 417, 442 (1984); *Peay v. Morton*, 571 F. Supp. 108, 114 (M.D. Tenn. 1983).

Because of petitioner's decision to drop the APA defendants as parties to its petition, Cardinal is forever foreclosed from attaining a favorable ruling on the merits as to King and Patterson. No decision on the Eleventh Amendment issue can alter this fact. Accordingly, the petition must be denied as an impermissible attempt to secure an advisory opinion in contravention of Article III's "case or controversy" requirement. *Preiser v. Newkirk*, 422 U.S. 395, 401 (1975) ("a federal court has neither the power to render advisory opinions nor 'to decide questions that cannot affect the rights of litigants in the case before them.'"); *Flast v. Cohen*, 392 U.S. 83, 95 (1968).

II. THE COURT OF APPEALS' SUMMARY AFFIRMANCE RENDERS THIS CASE INAPPROPRIATE FOR REVIEW

In the court of appeals below, the Eleventh Circuit issued a *per curiam* order pursuant to 11th Cir. R. 25,[1] affirming the district court's judgment without opinion.

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[1] Rule 25 of the Rules of the United States Court of Appeals for the Eleventh Circuit provides:

> **Rule 25. Affirmance Without Opinion.**
>
> When the court determines that any of the following circumstances exist:
>
> (a) judgment of the district court is based on findings of fact that are not clearly erroneous;
>
> (b) the evidence in support of a jury verdict is sufficient;
>
> (c) the order of an administrative agency is supported by substantial evidence on the record as a whole;
>
> (d) summary judgment, directed verdict, or judgment on the pleadings is supported by the record;
>
> (e) judgment has been entered without an error of law;
>
> and an opinion would have no precedential value, the judgment or order may be affirmed or enforced without opinion.

Accordingly, the court of appeals provided no rationale for its affirmance nor did it delineate the ground(s) upon which it was affirming.

The Eleventh Amendment issue was not the sole issue before the Eleventh Circuit. Also on appeal was the district court's judgment on the merits as to the non-state, APA defendants. Petitioner's speculation that the court of appeals reached the Eleventh Amendment issue is belied by the court's reliance upon 11th Cir. R. 25. Under this rule, affirmance without opinion is only permitted when the "opinion would have no precedential value." Since the Eleventh Amendment issue was admittedly one of first impression in the circuit, it cannot be said that an opinion on the issue would lack precedential value.

Furthermore, this Court has stated that constitutional decisions should be avoided where a non-constitutional decision can resolve the issue. Specifically, in *Alma Motor Co. v. Timken-Detroit Axle Co.*, 329 U.S. 129 (1946), the Court explained that

> This Court has said repeatedly that it ought not pass on the constitutionality of an act of Congress unless such adjudication is unavoidable. This is true even though the question is properly presented by the record. If two questions are raised, one of non-constitutional and the other of constitutional nature, and a decision of the non-constitutional question would make unnecessary a decision of the constitutional question, the former will be decided.

Id. at 136. Assuming that the court of appeals heeded this admonition, it would not have reached the Eleventh Amendment issue.

Indeed, in an analogous situation, the Sixth Circuit expressly utilized the *Alma Motors* doctrine to avoid reaching the Eleventh Amendment issue. *Mihalek Corp. v. State of Michigan*, 814 F.2d 290 (6th Cir. 1987). The district court initially dismissed the copyright infringement action against the State of Michigan on Eleventh

Amendment grounds and the dismissal order was certified for interlocutory appeal pursuant to 28 U.S.C. § 1292(b). *Mihalek Corp. v. State of Michigan*, 595 F. Supp. 903 (E.D. Mich. 1984). While this appeal was pending, the district judge entered summary judgment on the merits in favor of the remaining defendants. *Mihalek Corp. v. State of Michigan*, 630 F. Supp. 9 (E.D. Mich. 1985). The appeal of the decision on the merits was then consolidated with the Eleventh Amendment appeal. In its written opinion affirming the district court, the Sixth Circuit considered unnecessary any review of the Eleventh Amendment issue, once the court affirmed on the merits. 814 F.2d at 297.

Thus, contrary to petitioner's assumption, it appears that the court of appeals did not reach the Eleventh Amendment question. Nevertheless, the fact remains that the court of appeals did not specify the basis for its affirmance. This being so, the Court's statement in *The Monrosa v. Carbon Black Export, Inc.*, 359 U.S. 180 (1959) is particularly instructive.

> While this Court decides questions of public importance, it decides them in the context of meaningful litigation. Its function in resolving conflicts among the Courts of Appeals is judicial, not simply administrative or managerial. Resolution here of the * * * [issue in conflict among the circuits] can await a day when the issue is posed less abstractly.

Id. at 184.

III. NO PRESENT CONFLICT AMONG THE COURTS OF APPEALS EXISTS REGARDING THE ELEVENTH AMENDMENT'S BAR TO COPYRIGHT INFRINGEMENT SUITS AGAINST THE STATES IN FEDERAL COURT

Petitioner argues that the affirmance without opinion by the court of appeals below "conflicts with the rulings of several other courts." Petition at 6. The "several" courts to which petitioner refers are the Ninth Circuit

in *Mills Music, Inc. v. State of Arizona*, 591 F.2d 1278 (9th Cir. 1979) and a district court for the Western District of Virginia in *Johnson v. University of Virginia*, 606 F. Supp. 321 (W.D. Va. 1985).

Cardinal's claimed conflict is chimerical. Both *Mills Music* and *Johnson* predate this Court's decision in *Atascadero State Hospital v. Scanlon*, 473 U.S. 234 (1985). *Atascadero* holds that Congress may unilaterally abrogate a state's Eleventh Amendment immunity only when acting pursuant to § 5 of the Fourteenth Amendment *and* when providing an unequivocal expression of its intent to abrogate the Eleventh Amendment. *Id.* at 242-43 and 244-45 n.4. Additionally, *Atascadero* reaffirms the principle that a state may waive its Eleventh Amendment immunity by participating in a particular federal program where Congress has manifested a clear intent that participation is conditioned upon such a waiver. *Id.* at 247; *accord Edelman v. Jordan*, 415 U.S. 651, 673 (1974).

Without having the benefit of this Court's reasoning in *Atascadero*, the *Mills Music* court (per District Judge Lucas, sitting by designation) held that "Eleventh Amendment immunity is waived when Congress has authorized suit against a class of defendants that includes states, and the state enters into the activity regulated by federal law." 591 F.2d at 1283. Applying this standard, the *Mills Music* court held that the Eleventh Amendment had been waived because the term "any person" in § 101 of the Copyright Act of 1909, 17 U.S.C. § 101 (1976) (amended in 1977), was "sweeping and without apparent limitation, suggesting that Congress intended to include states within the class of defendants," *Id.* at 1285, and by voluntarily engaging in what was essentially a commercial activity (promotion of a state fair), the state had entered into an activity regulated by federal legislation.

After *Atascadero*, the *Mills Music* decision retains no precedential value. Contrary to the *Mills Music* rationale,

Atascadero held that a general authorization for suit in federal court such as "any recipient of Federal assistance" is "not the kind of unequivocal statutory language sufficient to abrogate the Eleventh Amendment." 473 U.S. at 245-46. Indeed, quite recently, a district court in the Ninth Circuit has explicitly recognized the post-*Atascadero* demise of *Mills Music*, by holding that the California Board of Regents is immune from suit for copyright infringement in federal court by virtue of the Eleventh Amendment. *BV Engineering v. University of California, Los Angeles*, 657 F. Supp. 1246 (C.D. Cal. 1987) ("While there is no direct 9th Circuit opinion overruling *Mills Music*, the handwriting is unmistakably on the wall and the Court must read that handwriting. * * * The rationale of *Mills Music* . . . has, in effect, been overruled in *Atascadero State Hospital*.").

In *Johnson*, the district court, again without the benefit of *Atascadero*, held that Congress abrogated the Eleventh Amendment by enacting the Copyright Act of 1976. This holding was premised almost entirely upon *Mills Music*. 606 F. Supp. at 323-24. Following *Atascadero*, another district judge in the Western District of Virginia ruled that a state university was protected under the Eleventh Amendment from a copyright infringement suit in federal court. *Richard Anderson Photography v. Radford University*, 633 F. Supp. 1154 (W.D. Va. 1986). In so ruling, the *Richard Anderson Photography* court stated:

> In my view, *Johnson* (decided March 27, 1985) would have been decided differently if the court had had available *Atascadero* (decided June 28, 1985) because *Atascadero* imposes a more stringent standard than had been used in the past by requiring courts to find an "unequivocal indication" of a State's consent to be sued in federal court.

Id. at 1160.

Thus, in light of *Atascadero*, neither *Mills Music* nor *Johnson* remain viable and no conflict exists. *See Woelffer v. Happy States of America, Inc.*, 626 F. Supp. 499, 503 n.5 (N.D. Ill. 1985). Indeed, subsequent to *Atascadero*, the courts have uniformly found the states to be immune from suit for copyright infringement in the federal courts under the Eleventh Amendment. *BV Engineering v. University of California, Los Angeles*, 657 F. Supp. 1246 (C.D. Cal. 1987); *Richard Anderson Photography v. Radford University*, 633 F. Supp. 1154 (W.D. Va. 1986); *Woelffer v. Happy States of America, Inc.*, 626 F. Supp. 499 (N.D. Ill. 1985); *Cardinal Industries, Inc. v. Anderson Parrish Associates, Inc.*, No. 83-1038-Civ-T-13, slip op. (M.D. Fla. Sept. 5, 1985). Rather than being faced with an inescapable conflict between the courts, the courts have adhered to the teachings of *Atascadero* in such a fashion as to render harmonious decisions in copyright infringement cases against the states.

IV. THE DISTRICT COURT DID NOT ERR WHEN IT AFFORDED KING AND PATTERSON IMMUNITY UNDER THE ELEVENTH AMENDMENT

Putting aside mootness, the question of whether the court of appeals even reached the Eleventh Amendment issue, and the current harmony among the lower courts on the issue, the writ still should not be granted because the district court correctly granted King and Patterson summary judgment.

As recognized above, *Atascadero* holds that Congress can only unilaterally abrogate the Eleventh Amendment when acting pursuant to § 5 of the Fourteenth Amendment. 473 U.S. at 242-43. Since the Copyright Act of 1976, 17 U.S.C. § 101 *et seq.*, was enacted pursuant to Congress' powers under Art. I, § 8, cl. 8, Congress lacks the ability to unilaterally abrogate the Eleventh Amendment. *Accord Richard Anderson Photography v. Radford University*, 633 F. Supp. 1154, 1158 (W.D. Va. 1986); *Woelffer v. Happy States of America, Inc.*, 626 F. Supp.

499, 505 n.9 (N.D. Ill. 1985); Note, *Copyright Infringement and the Eleventh Amendment: A Doctrine of Unfair Use?*, 40 Vand. L. Rev. 225, 264-66 (1987).

Similarly, when enacting the Copyright Act of 1976, Congress failed to include unequivocal language authorizing suit against the states or manifest a clear intention that participation by the states was conditioned upon consent to federal jurisdiction. *See Atascadero*, 473 U.S. at 246-47. Section 501's general authorization for suit against "[a]*nyone* who violates any of the exclusive rights of the copyright owner . . .," 17 U.S.C. § 501, is not the kind of unequivocal statutory language authorizing suit against the states. *See Atascadero*, 473 U.S. at 247. Furthermore, in 17 U.S.C. §§ 401-412, Congress does not manifest a clear intent that registration of or protection for copyrights owned by states and their agencies is conditioned upon consent to suit in federal court.

Contrary to Petitioner's argument, the dismissal of Cardinal's claims for prospective injunctive relief against King and Patterson is in complete harmony with *Ex Parte Young*, 209 U.S. 123 (1908) and its progeny. In granting respondents summary judgment, the district court found that "the University of South Florida is the real and substantial party in interest with regard to the suit filed against King and Patterson." As stated by this Court in *Pennhurst State School & Hospital v. Halderman*, 465 U.S. 89 (1984), "as when the State itself is named as the defendant, a suit against state officials that is in fact a suit against a State is barred *regardless of whether it seeks damages or injunctive relief.*" *Id.* at 101-02 (emphasis supplied).

Moreover, Cardinal's prayer for relief seeking to enjoin King and Patterson (even though the latter is no longer a state employee), "their agents" and "all those in active participation and concert" with them would necessarily bind all state employees; thus "the effect of the judgment would be 'to restrain the Government from

acting' " in violation of the Eleventh Amendment. *Id.* at 101 n.11 (quoting *Dugan v. Rank*, 372 U.S. 609 (1963)). Finally, the *Ex Parte Young* doctrine is inapplicable in this case since, like *Green v. Mansour*, 474 U.S. 64, ——, 106 S. Ct. 423, 427 (1985), "[t]here is no claimed continuing violation of federal law and therefore no occasion to issue an injunction." *See BV Engineering v. University of California, Los Angeles*, 657 F. Supp. 1246, 1250 n.2 (C.D. Cal. 1987).

Cardinal's remaining contention that it sued King and Patterson solely in their individual capacity is misleading and meaningless. While properly indentifying King and Patterson as "individuals" (as opposed to "corporations"), the complaint repeatedly referred to respondents in their official capacity or as "USF." Nevertheless, the district court, in granting summary judgment, made a factual determination that King and Patterson were, at all times, acting within their scope of employment. Thus, Cardinal seeks this Court's reversal of the factual findings of the district court.

CONCLUSION

WHEREFORE, for all these reasons, respondents pray that the petition for writ of certiorari be denied.

Respectfully submitted,

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June 1987